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DFD-5175-59

30 July 1959

MEMORANDUM FOR THE RECORD

**SUBJECT: Completion and Acceptance of Work and Services
Contract No. SC-21-54 with The Perkin-Elmer Corp.**

1. This memorandum contains a recommendation submitted for approval of the Deputy Director, Plans. Such recommendation is set forth in Paragraph 7.

2. Contract No. SC-21-54 and Amendments Nos. 1 through 10 thereto with The Perkin-Elmer Corp., as prime contractor and the Hycon Mfg. Company as subcontractor, provided for the design and production of Photographic Equipment and related support equipment.

3. A final contract price of \$6,720,141.00 has been negotiated with The Perkin-Elmer Corp. and reflected in Amendment No. 10 to the contract. Of the conditions upon which finality of the final contract price was contingent is the clause stated below, and which is the subject of this memorandum:

"c. The final contract price shall be contingent upon verification to the satisfaction of the Contracting Officer that all items under the contract have been delivered by the Contractor and the Hycon Mfg. Co. and received by the Government."

4. The engineering, design, fabrication, modification and tests necessary to produce the photographic equipment and related support equipment required under Contract No. SC-21-54 comprised 331 individual contract line items including numerous sub-items. These 331 items further comprised the configurations, trackers, drift sights, hand controls, spare parts and related support equipment provided by the contract. In order to coordinate efforts of the suppliers to perform within schedules necessary to meet urgent project requirements certain of these items produced by The Perkin-Elmer Corp. and the Hycon Mfg. Company were shipped directly to other suppliers for incorporating or affixing materials therein, i.e. spools from Hycon to Eastman Kodak Company for testing and winding film. Certain other items were delivered directly to Watertown for evaluations and training missions and other items were obsoleted by contractual changes and modifications. Many of the items were exchanged between the prime contractor and its subcontractor for incorporation into the end configurations.

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5. During the early phases of the contract, controls necessary for documenting receipt and acceptance of completed items had not been developed to a degree sufficient to keep abreast of and record deliveries of the above items. As a result, many items delivered by The Perkin-Elmer Corp. and the Hycon Mfg. Company, as subcontractor, were not documented by receipts acknowledging delivery and acceptance on behalf of the Government.

6. Every effort has been made by this Headquarters, the Supply Depot, and the prime and sub-contractors to procure signed receipts indicating delivery of all 331 line items required by the contract. Many items have been documented completely by signed receipts and other items have been partially documented by signed receipts as evidenced by records of the Comptroller, DPD. However, many items remain on which no signed receipts, or receipts for only partial deliveries can be produced. As a result of this effort, evidence has been developed and produced in some form such as copies of signed receipts, copies of shipping documents, letters, and tabulations indicating or explaining dispositions of all items. This data is on file in the Contract Branch.

7. In view of the documentation and other evidence now on file at Project Headquarters, and the fact that the major configurations and support equipment which also include numerous other contract items have been delivered and are in operation, it is recommended that all items of work and services required under Contract No. SC-21-54, as amended, be considered as completed by the Contractor and accepted by the Government. Further, based on the evidence available the Contracting Officer is satisfied that deliveries under this contract are completed and that any further effort in developing details would only add unjustified additional administrative costs to the Project.

SIGNED

Contracting Officer, DPD

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CONCURRENCES:

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Chief, Developments Br., DPD

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Chief, Material, DPD

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Comptroller, DPD

APPROVED

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RICHARD M. BISSEY, JR.
Deputy Director
(Plans)

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